



CLEAN WATER STATE REVOLVING FUND

**2018-19 INTENDED USE PLAN
JUNE 19, 2018
ITEM 4**

CWSRF BACKGROUND

❖ FINANCIAL ASSISTANCE PROGRAM

- LOW-INTEREST LOANS AND LOAN FORGIVENESS
 - PUBLICLY-OWNED WASTEWATER INFRASTRUCTURE
 - STORM WATER
 - NONPOINT SOURCE PROJECTS OR PROGRAMS

❖ FINANCING SINCE 1989

- > \$10.5 BILLION
- ~\$360 MILLION PER YEAR
- >800 PROJECTS

❖ LAST 4 YEARS

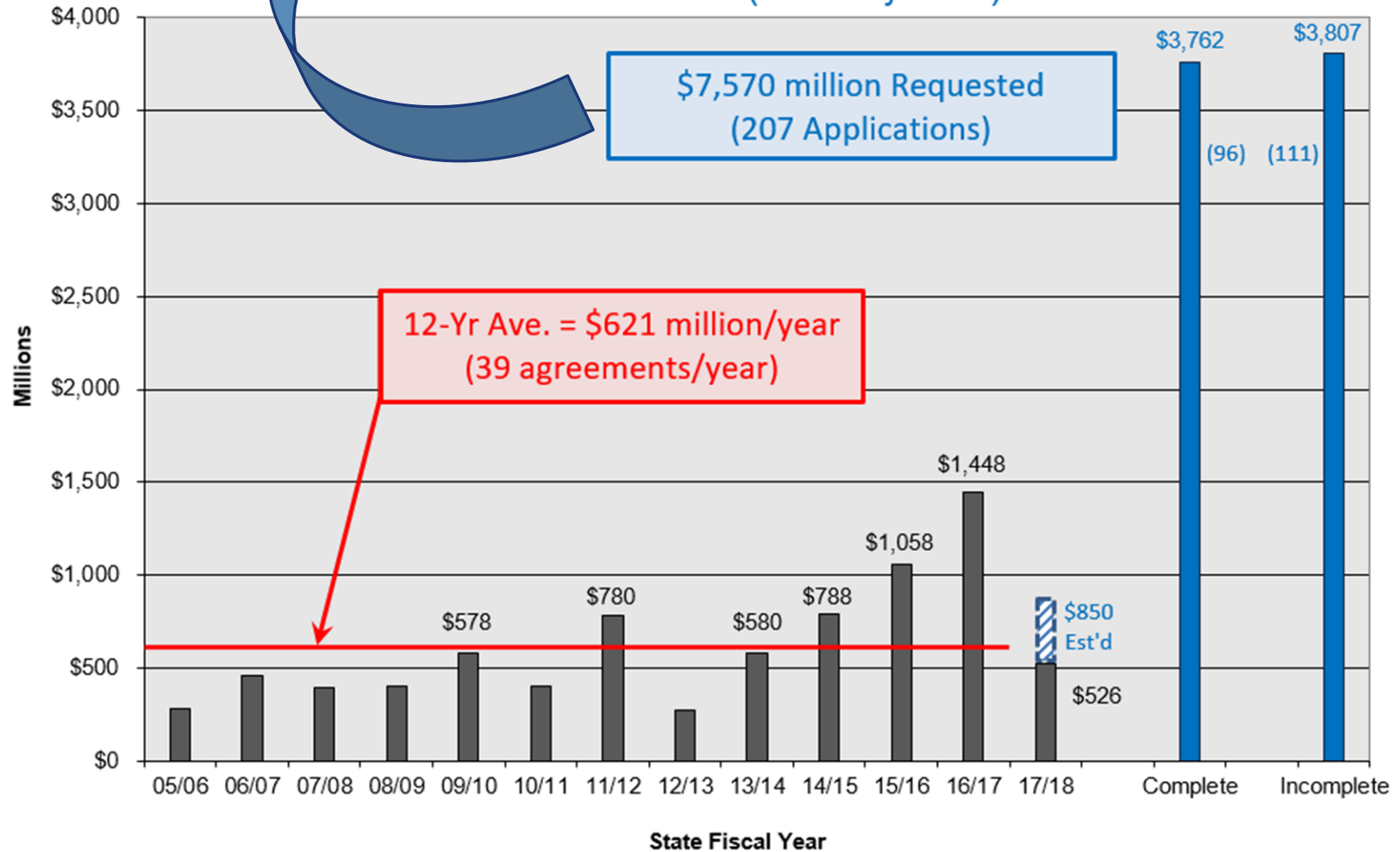
- \$3.8 BILLION TOTAL
- ~\$950 MILLION PER YEAR
- 35 – 40 NEW AGREEMENTS PER YEAR

❖ NET POSITION > \$4.0 BILLION

- CURRENT BOND AUTHORIZATION = \$2.2 BILLION
- BONDS OUTSTANDING ~ \$1.3 BILLION

150 Unique Applicants
9 Applicants Collectively Requesting \$4.8 billion

Historic CA CWSRF Financing
VS
Current Demand (February 2018)



DEVELOPING A FUNDABLE LIST

- ❖ **SMALL DISADVANTAGED & SEVERELY DISADVANTAGED COMMUNITIES (DAC & SDAC) AUTOMATICALLY FUNDABLE**
 - ALL OTHERS MUST BE LISTED TO BE FUNDABLE
- ❖ **FUNDING TARGET = \$1.0 B**
 - SUSTAINABLE LENDING CAPACITY ~ \$1.0 B/YEAR
- ❖ **ALLOW FOR TRANSITION**
- ❖ **PARTIAL FUNDING**
- ❖ **RETROACTIVE CONSTRUCTION ELIGIBILITY**
 - ONLY APPLICABLE IF FUNDABLE
 - AT THE APPLICANT'S RISK



DEVELOPING A FUNDABLE LIST

❖ ALL 207 APPLICATIONS EVALUATED

❖ EVALUATION CRITERIA

- COMPLIANCE ORDER
- REGIONAL BOARD RECOMMENDATION
- PARTIAL FUNDING
- LOCAL MATCH
- COMPLEMENTARY FUNDING
- READINESS
 - CONSTRUCTION
 - FINANCING



4 SCENARIOS

	# Projects	\$ Total	New Bond Authority?	Comments
A	65	\$270 M	\$0	<ul style="list-style-type: none"> • ALL SMALL DAC/SDAC PROJECTS • ALL PROP 1 SC GRANT COMMITTED, BUT INSUFFICIENT PROP 1 SC GRANT FOR ALL APPLICATIONS
B	80	\$720 M	\$0	<ul style="list-style-type: none"> • TRANSITION PROJECTS • ALL PROP 1 WR GRANT COMMITTED • SUFFICIENT PROP 1 WR LOAN AND PF AVAILABLE
C	115	\$1.9 B	\$400M - \$800M	<ul style="list-style-type: none"> • PROP 1 + PF = \$400 MILLION (ALL PROP 1 SCG/WR AND PF COMMITTED) • TRANSITION PROJECTS FROM 17/18 YEAR CAPACITY • 18/19: \$1.2 BILLION (NEXT YEAR'S CAPACITY)
D	207	\$7.5 B	>\$4 B	<ul style="list-style-type: none"> • NOT FISCALLY RESPONSIBLE

COMMENTS

- ❖ **PROP. 1 SC GRANT COMMITTED BY END OF 2018**
 - 2018 PF – FIRST USE = SMALL DAC/SDAC
 - REDIRECT 2018 PF TO GREEN PROJECT RESERVE (GPR) IF SC GRANT FUNDS SUFFICIENT
 - 2017 PF – GPR
- ❖ **MORE PROJECTS ON FUNDABLE LIST**
- ❖ **MULTI-YEAR FUNDING/INCREASE COMMITMENTS**
 - COMMITMENTS ARE MULTI-YEAR
 - LIMITS FUTURE COMMITMENTS

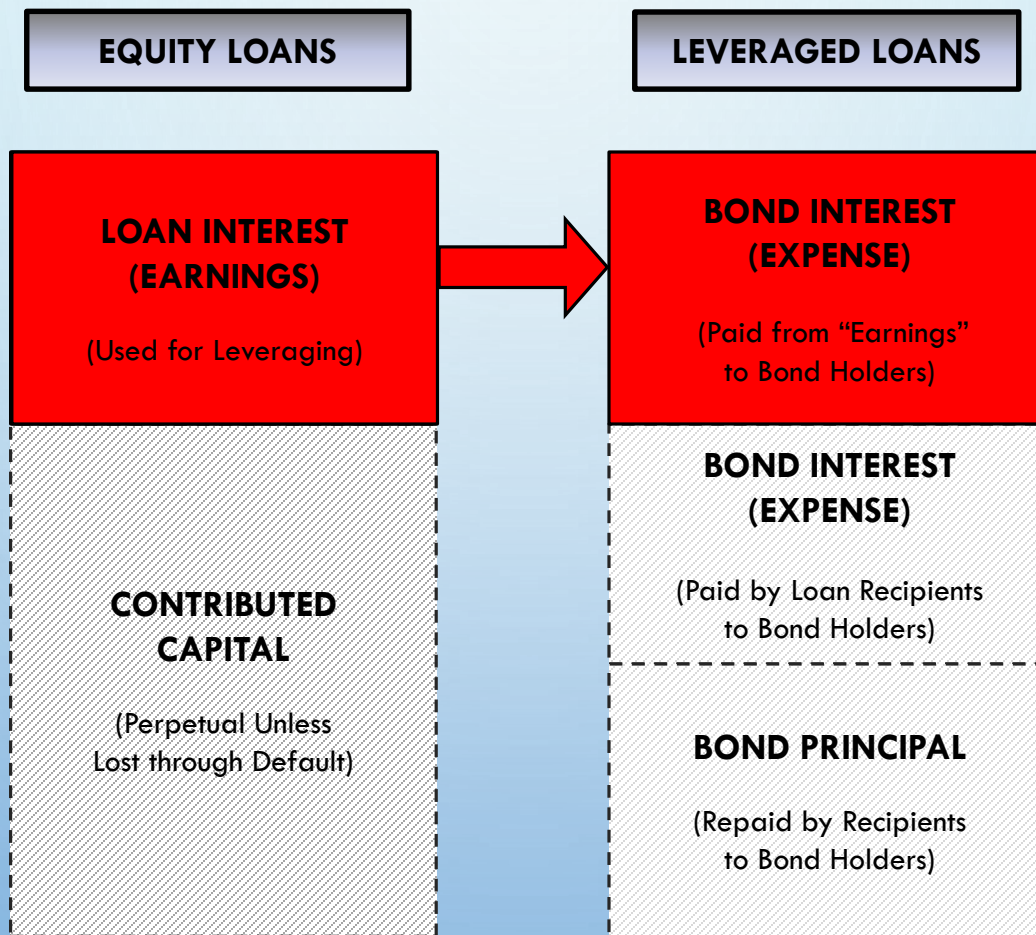
IMPLEMENTATION & SCHEDULE

Item	Date
30-Day Public Comment	April 9 – May 10
Board Meeting	June 19, 2018
Finalize 2018 Cap Grant Application to EPA	July 1, 2018
Policy Amendments	
○ Coverage and Financial Requirements	August 2018
○ Application Scoring System/ Pre-application	November 2018
Begin Development of 19-20 Fundable List	December 31, 2018
Execute All 18-19 Fundable Agreements	June 30, 2019
○ Applications not Funded Roll Over to 19-20 Fundable List	

THANK YOU



RELATIONSHIP BETWEEN EARNINGS AND LEVERAGING



(NOT TO SCALE)